

SBA SECOND REPORT OF RETROSPECTIVE REVIEW EFFORTS
POSTED: 5/14/2012

RIN/OMB CONTROL NUMBER	TITLE OF INITIATIVE/RULE/ICR	BRIEF DESCRIPTION	ACTUAL OR TARGET COMPLETION DATE	ANTICIPATED SAVINGS IN COSTS AND/OR INFORMATION COLLECTION BURDENS, TOGETHER WITH ANY ANTICIPATED CHANGES IN BENEFITS (PLEASE QUANTIFY, TO THE EXTENT FEASIBLE, AND SPECIFY BASELINE, TIME HORIZON, & AFFECTED GROUPS)	PROGRESS UPDATES AND ANTICIPATED ACCOMPLISHMENTS
1. TBD	Expedite Payments to Small Business Contractors	Government-wide initiative to accelerate payment to small business contractors; specifically to pay invoices within 15 days of receipt instead of 30 days as required by the Prompt Payment Act.	11/15/2011	The Office of Federal Procurement Policy ("OFPP") has requested more information from Agencies.	In compliance with OMB memo M-11-32, SBA instituted policy to pay invoices from small business concerns within 15 days of receipt, effective November 15, 2011.
2. 3245- AG07	Small Business Size Standards; Professional, Scientific and Technical Services (Sector 54)	SBA is authorized to develop the size standards that are the basis for establishing eligibility for federal financial assistance and contracting opportunities. All of these size rules are part of a comprehensive effort to review all of the current size standards to determine which standards should be retained or revised, based on industry factors, Federal procurement practices, and current economic conditions. In addition, the Small Business Jobs Act of 2010 (Jobs Act) directs SBA to conduct a detailed review of all size standards and to make appropriate adjustments to reflect market conditions. Specifically, the Jobs Act requires SBA to conduct a detailed review of at least one-third of all size standards during every 18-month period from the date of its enactment and review all size standards not less frequently than once every 5 years thereafter. Reviewing existing small business size standards and making appropriate adjustments based on current data is also consistent with Executive Order 13563 on improving regulation and	2/10/2012	SBA estimates that about 8,500 businesses would be newly eligible under the revised size standards. Other than having to complete the Central Contractor Registration ("CCR")/ Online Representations and Certifications Application ("ORCA"), to participate in Federal assistance programs, the rule would entail no additional burdens or costs on small businesses.	SBA issued a final rule on February 10, 2012. The final rule increased 37 small business size standards for 34 industries and three sub-industries ("exceptions" in SBA's table of small business size standards) in North American Industry Classification System (NAICS) Sector 54, Professional, Technical, and Scientific Services, and one in NAICS Sector 81, Other Services, which it did not review in 2010. The final rule was effective March 12, 2012. Based on an updated tabulation of the 2007 Economic Census, SBA estimates that about 8,350 additional firms will gain small business status under the revised size standards. That was 1.1 percent of total firms defined as small in those industries and sub-industries. The result was an increase in the small business share of total industry receipts for those industries and sub-industries from about 37 percent under the old size standards to 42 percent under the revised size standards. SBA anticipates that the revised size standards will not cause a significant competitive impact on smaller businesses in these industries.

		regulatory review.			
3. 3245- AG08	Small Business Size Standards; Transportation and Warehousing Industries (Sectors 48-49)	See #2 above.	2/24/2012	SBA estimates that about 1,200 additional businesses would qualify as small under the revised size standards. Other than having to complete the Central Contractor Registration ("CCR")/Online Representations and Certifications Application ("ORCA") to participate in Federal assistance programs, the rule would entail no additional burdens or costs on small businesses.	The February 24, 2012 final rule increased size standards for 22 industries in Sector 48-49, as proposed. Based on an updated tabulation of the 2007 Economic Census, SBA estimated that about 1,200 additional firms will gain small business status under the revised size standards. That was 0.7 percent of total firms in industries in that Sector that have receipts based size standards. This would result in an increase in the small business share of total industry receipts in those industries from about 36 percent under the old size standards to nearly 39 percent under the revised standards. SBA anticipates that the revised size standards will not cause a significant competitive impact on smaller businesses in these industries.
4. 3245- AG25	Small Business Size Standards for Utilities Industries (Sector 22)	See #2 above.	2 nd Quarter of FY 2013.	Review of costs and benefits of action in progress.	The rule is in process. SBA anticipates issuing the proposed rule for comments in the <i>Federal Register</i> in the 3 rd quarter of FY 2012. The comment period will be open for 60 days.
5. 3245- AG26	Small Business Size Standards; Information (Sector 51)	See #2 above.	4 th Quarter of FY 2012.	SBA's October 12, 2011 proposed rule would increase 15 receipts based size standards in Sector 51. SBA estimated that about 500 additional businesses would qualify as small under the revised size standards, if adopted as proposed. That number is 1.2 percent of the total number of firms that are classified as small under the current size standards in all 20 industries in NAICS Sector 51 that are covered by the proposed rule. This will increase the small business share of total industry receipts in those industries from 13 percent under the current size standards to 15 percent. Other than having to complete the Central Contractor Registration ("CCR")/Online Representations and Certifications Application ("ORCA") to participate in Federal assistance programs, the rule would entail no additional burdens or costs on small businesses.	The proposed rule was published in the Federal Register on October 12, 2011 (76 FR 63216). Public comments were solicited until December 12, 2011. The final rule is expected in the 3 rd Quarter of FY 2012.

6. 3245- AG27	Small Business Size Standards; Administrative and Support, Waste Management and Remediation Services Industries (Sector 56)	See #2 above.	4 th Quarter of FY 2012.	SBA's October 12, 2011 proposed rule would increase size standards for 37 industries in Sector 56. SBA estimated that about 2,700 additional businesses would qualify as small under the revised size standards, if adopted as proposed. That number is nearly 1.0 percent of the total number of firms in industries in NAICS Sector 56 that have receipts based size standards. This would increase the small business share of total industry receipts in those industries from 32 percent under the current size standards to 37 percent. Other than having to complete the Central Contractor Registration ("CCR")/Online Representations and Certifications Application ("ORCA"), to participate in Federal assistance programs, the rule would entail no additional burdens or costs on small businesses.	The proposed rule was published in the Federal Register on October 12, 2011 (76 FR 63510). Public comments were solicited until December 12, 2011. The final rule is expected in the 4 th Quarter of FY 2012.
7. 3245- AG28	Small Business Size Standards: Real Estate, Rental and Leasing Industries (Sector 53)	See #2 above.	4 rd Quarter of FY 2012.	SBA's November 15, 2011 proposed rule would increase size standards for 20 industries and one-sub-industry in Sector 53. SBA estimated that about 13,000 additional firms would become small because of increases in size standards in 20 industries and one sub-industry. That would represent nearly 5 percent of total firms that are small under current size standards in all industries within NAICS Sector 53. This would result in an increase in the small business share of total industry receipts for this Sector from about 27 percent under the current size standards to nearly 39 percent under the proposed standards. Other than having to complete the Central Contractor Registration ("CCR")/Online Representations and Certifications Application ("ORCA"), to participate in Federal assistance programs, the rule would entail no additional burdens or costs on small businesses.	The proposed rule was published in the Federal Register on November 15, 2011 (76 FR 70680). The 60 day public comment period ended on January 17, 2012. The final rule is expected in the 4 rd Quarter of FY 2012.

8. 3245- AG29	Small Business Size Standards; Educational Services Industries (Sector 61)	See #2 above.	4 th Quarter of FY 2012.	SBA's November 15, 2011 proposed rule would increase size standards for nine industries in Sector 61, Educational Services. SBA estimated that about 1,500 additional businesses would become small if the proposed increases were adopted as proposed. That represents about 2.1 percent of total firms that are small under current size standards in all industries within Sector 61. This would result in an increase in the small business share of total industry receipts for this Sector from about 18 percent under the current size standard to nearly 23 percent under the proposed standards. Other than having to complete the Central Contractor Registration ("CCR")/Online Representations and Certifications Application ("ORCA"), to participate in Federal assistance programs, the rule would entail no additional burdens or costs on small businesses.	The proposed rule was published in the Federal Register on November 15, 2011 (76 FR 70667). The 60 day public comment period ended on January 17, 2012. The final rule is expected in the 4 th Quarter of FY 2012.
9. 3245- AG30	Small Business Size Standards; Health Care and Social Assistance Services Industries (Sector 62)	See #2 above.	4 th Quarter of FY 2012.	SBA's February 24, 2012 proposed rule would increase size standards for 28 industries in Sector 62, Health Care and Social Assistance. SBA estimated that about 4,100 additional firms would become small because of increases in size standards in the 28 industries in Sector 62. That represents 0.7 percent of total firms that are small under current size standards in all industries within that Sector. This would result in an increase in the small business share of total industry receipts for the Sector from about 30 percent under the current size standard to nearly 32 percent under the proposed standards. Other than having to complete the Central Contractor Registration ("CCR")/Online Representations and Certifications Application ("ORCA") to participate in Federal assistance programs, the rule would entail no additional burdens or costs on small businesses.	The proposed rule was published in the Federal Register on February 24, 2012 (77 FR 11001). The 60 day public comment period ended on April 24, 2012. The final rule is expected in the 4 th Quarter of FY 2012.

10. 3245- AG36	Small Business Size Standards; Arts, Entertainment and Recreation (Sector 71)	See #2 above.	2 nd Quarter of FY 2013.	Review of costs and benefits of action in progress.	The rule is in process. SBA anticipates issuing the proposed rule for comments in the Federal Register in the 3rd quarter of FY 2012. The comment period will be open for 60 days.
11. 3245- AG37	Small Business Size Standards; Construction (Sector 23)	See #2 above.	2 nd Quarter of FY 2013.	Review of costs and benefits of action in progress.	The rule is in process. SBA anticipates issuing the proposed rule for comments in the Federal Register in the 3rd quarter of FY 2012. The comment period will be open for 60 days.
12. 3245- AG43	Small Business Size Standards; Agriculture, Forestry, Fishing and Hunting (Sector 11)	See #2 above.	3 rd Quarter of FY 2013.	Review of costs and benefits of action in progress.	The rule is in process. SBA anticipates issuing the proposed rule for comments in the Federal Register in the 4th quarter of FY 2012. The comment period will be open for 60 days.
13. 3245- AG44	Small Business Size Standards; Mining, Quarrying, and Oil and Gas Extraction (Sector 21)	See #2 above.	3 rd Quarter of FY 2013.	Review of costs and benefits of action in progress.	The rule is in process. SBA anticipates issuing the proposed rule for comments in the Federal Register in the 4th quarter of FY 2012. The comment period will be open for 60 days.

14. 3245-AG45	Small Business Size Standards; Finance and Insurance (Sector 52) and Management of Companies and Enterprises; Finance and Insurance (Sector 55)	See #2 above.	3 rd Quarter of FY 2013.	Review of costs and benefits of action in progress.	The rule is in process. SBA anticipates issuing the proposed rule for comments in the Federal Register in the 4th quarter of FY 2012. The comment period will be open for 60 days.
15. 3245-AF84	Small Business Innovation Research (SBIR) Program Policy Directive	The SBIR program is designed to increase small business participation in federal research and development; stimulate their technological innovations; foster and encourage participation by minority and disadvantaged persons in technological innovation; and increase private sector commercialization of technology derived from federal research and development. The SBIR Policy Directive provides guidance for federal government personnel who are involved in the administration of the SBIR Program. The program has undergone several changes since the directive was last reviewed, notably the amendments included in the recent reauthorization act. Review will ensure that the directive reflects these changes.	FY 2012	Review of costs and benefits of action in progress.	SBIR Program reauthorized as part of the National Defense Reauthorization Act of 2012 (12/31/11). A revised policy directive is anticipated by June 30, 2012.
16. 3245-AF45	Small Business Technology Transfer (STTR) Policy Directive	The STTR program provides research and development funding to small businesses (in partnership with nonprofit research institutions) to move ideas from the laboratory to the marketplace, foster high-tech economic development; and address the technological needs of the federal government. Changes similar to those proposed for the SBIR program described above, will be implemented.	FY 2012	Review of costs and benefits of action in progress.	STTR Program reauthorized as part of the National Defense Reauthorization Act of 2012. (12/31/11). A revised Policy Directive is anticipated by June 30, 2012.

17. 3245-AG39	Surety Bond Guarantee Program Information Collection	The Surety Bond Guarantee (SBG) program guarantees bid, performance and payment bonds for individual contracts for small and emerging contractors who cannot obtain surety bonds through regular commercial channels. SBA's guarantee gives sureties an incentive to provide bonding for eligible contractors, and thereby provides greater access to contracting opportunities.	FY2012-FY2013	Review of costs and benefits of action in progress. SBA is working on a streamlined application modeled after a surety bond industry standard. This application will be used for contract amounts not exceeding \$250,000, and consolidates two forms used in the standard bond guarantee process.	The proposed rule was published in the Federal Register on February 6, 2012 (77 FR 5721) and the comment period ended on April 6, 2012. The information collection is under review and the final rule is expected to be published in the 3 rd quarter of FY 2012.
18. SBA Form 1531, Application for Certificate of Competency OMB Control Number 3245-0225	Certificate of Competency Information Collection	To help ensure that small businesses, especially those that are new to the federal procurement arena, are given a fair opportunity to compete for and receive government contracts the Certificate of Competency (COC) program provides an avenue for a small business to appeal a contracting officer's determination that the firm is unable to fulfill the requirements of a specific government contract on which it is the apparent low bidder. If the business demonstrates that it has the ability to perform, SBA issues a COC to the contracting officer requiring the award of that specific contract to the small business. SBA Form 1531 (OMB Control Number 3245-0225) is used to collect information pertinent to the appeal process. SBA evaluated this form to ensure it collects only the minimum information necessary to make a determination and that it provides clear instructions	December 2011	The changes made by the revised SBA Form 1531, Application for Certificate of Competency, improves the quality of responses and reduces the error rate and need for small businesses to submit revised forms.	SBA Form 1531 was updated and approved by OMB in December 2011 with an expiration date of September 30, 2014.
19. TBD	Service-Disabled Veteran-Owned Small Business Concerns (SDVOSB)	The SDVOSB program provides procuring agencies with the authority to set aside acquisitions for exclusive competition among service-disabled	FY 2012-FY 2013	Review of costs and benefits of action in progress.	Review of program regulations is underway; ; draft regulations are expected to be developed during FY 2012.

		veteran-owned small business concerns, as well as the authority to make sole source awards such concerns. SBA has made several changes to the program since it was first implemented in 2004; however SBA has determined that additional changes are warranted to make the program consistent with similar contracting programs at SBA, clarify certain requirements, and enhance the integrity of the program to ensure the benefits flow to the intended program participants.			
20. TBD	HUBZone (Historically Underutilized Business Zones)	The HUBZone regulations will be amended to address the inconsistent or misapplication of certain program processes and procedures. The amendments will make it easier for participants to comply with the program requirements and enable them to maximize the benefits afforded by participation.	FY2012	Review of costs and benefits of action in progress.	Initial review is underway. Draft proposed rule is expected to be developed during FY2012.
21. OMB Control Numbers 3245-0016 and 3245- 0348	Single Electronic Application for 7(a) LOANS	An e-Application for all loans guaranteed under SBA's 7(a) loan program would reduce the amount of paperwork that lenders must submit to SBA or retain in their files. The anticipated improved business processes and reduced paperwork burden have the potential to result in increased lender participation and greater access to lending for small businesses.	FY2012	Review of costs and benefits of action in progress.	Eighty-nine percent of 7(a) loans are processed electronically via the same electronic application. SBA is evaluating how to incorporate the other 11%.
22. TBD	Automated Credit Decision Model for 7(a) Loan Program	This credit scoring methodology would enable lenders making loans of \$350K or less to reduce the time and other resources spent underwriting and processing loans.	FY2012	Review of costs and benefits of action in progress.	Developing a plan to better leverage credit scores in 7(a) loan decision.

23. TBD	Uniform SBIR Portal For Information and Solicitations	Goal is to provide a common mechanism that would obviate the need for grant applicants to submit their SBIR proposals to multiple agencies. Instead, proposals entered into this system would automatically port to other agencies' systems.	FY2012	Review of costs and benefits of action in progress.	SBIR Portal, sbir.gov, launched on August 1, 2011. Additional components to be added during FY 2012.
24. TBD	Integrated Certification and Program Management System (One Track CMS)	This system would allow the HUBZone and 8(a) programs to process certifications and other program functions (e.g. protests, and annual reviews) electronically thereby increasing the efficiency of the program.	FY2013	Review of costs and benefits of action in progress. The planned initiative is projected to result in substantial maintenance cost savings after deployment in FY2013. In addition to reducing waste fraud and abuse, it will support three new programs and business processes currently handled manually.	Expected deployment in FY 2013. Contract for development anticipated awarded in FY 2012, with work performance beginning in January of FY 2012.
25. TBD	Auto-approve Disaster Loans Based on Credit Scores	Changing this process would allow SBA more flexibility to design a loan approval that is in line with current private sector practices and reduce the processing cost for lower dollar disaster loans. According to a recent portfolio analysis, disaster loan borrowers with a FICO score of 725 or more, pose limited risk to the portfolio.	FY2012 – Develop Regulation change to 13 CFR 123.6 definition. FY2013 – Build out requirements, development and testing prior to placing process into live production.	Review of costs and benefits of action in progress. This planned automated scoring methodology would reduce the costs of underwriting such loans and improve the timeliness of delivering the loan proceeds to the disaster victims, without compromising the agency's fiduciary responsibility. SBA anticipates no changes to the information collection burden.	A process improvement team has been established to review the current disaster credit box. The anticipated outcome will be an auto approval process similar to private sector mortgage companies. Team is exploring production of Business Plan, obtaining required approvals and developing a pilot.
26. TBD	Automate Process of Receiving Insurance Recovery Information	Under the disaster loan program, loan eligibility is based on the uncompensated disaster loss. Being able to automate the insurance recovery information would enhance our ability to ensure that insurance proceeds are addressed and no duplication of benefits occurs as a result of insurance recovery after loan approval.	FY 2012/FY 2013 - Build out requirements, development and testing prior to placing process into live production.	Review of costs and benefits of action in progress. This would reduce the possibility of disaster victims being asked to repay erroneously disbursed Federal disaster benefits. SBA anticipates no changes to the information collection burden.	A process improvement team has been established to review the insurance recovery process. The anticipated outcome will be obtaining entry into a national insurance recovery data base. Team is contacting insurance companies directly and national association to determine viability of automation.

